

BILL ANALYSIS

C.S.H.B. 4056
By: Rose
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

As proposed, C.S.H.B. 4056 creates Hays County Municipal Utility District No. 6 (district) and enumerates its powers, duties and obligations.

The bill proposes the legislative creation of a Municipal Utility District (MUD) to be located entirely in Hays County, in the extra-territorial jurisdiction (ETJ) of the City of Dripping Springs. Dripping Springs sits in the middle of a quickly developing area in the Hill Country. The proposed legislation includes already existing authorized powers from Chapters 49 and 54, Water Code to form this district so that it will be suited for the needs of this area.

In particular, C.S.H.B. 4056 specifically grants all powers in Chapters 49 and 54, Texas Water Code to the district. C.S.H.B. 4056 would also authorize the district to have road powers pursuant to Article 3, Section 52, Texas Constitution and Chapter 54, Water Code.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

The bill establishes that the Hays County Municipal Utility District No. 6 (district) is a municipal utility district in Hays County created under and essential to accomplish the purposes of Section 52, Article III, and Section 59, Article XVI, Texas Constitution and sets forth definitions.

The bill provides that the district serves a public use and benefit and that all land and other property in the district will benefit from the works and projects of the district.

The bill provides for the dissolution of the district in the absence of a confirmation election before September 1, 2012.

The bill provides that a mistake in the legislation creating the district does not affect the organization, existence, or validity of the district, the right of the district to levy and collect taxes, or the legality or operation of the district or its governing body.

The bill establishes the temporary board of directors and provides requirements for filling vacancies on the board.

The bill prohibits the temporary directors from holding an election without the consent of all affected municipalities.

The bill requires the temporary board of directors to hold an election confirming the establishment of the district and electing five initial directors.

The bill requires the five initial directors to draw lots to determine who will serve until the first regularly scheduled election and who will serve until the second regularly scheduled election.

The bill requires four-year staggered terms for the initial board of directors. Provides that the district is composed of a five-member board of directors.

The bill sets forth the powers and duties of the district.

The bill requires that the district comply with the requirements of the ordinance or resolution adopted by the city council of the City of Dripping Springs consenting to the creation of the District.

The bill authorizes and limits the use of eminent domain by the district.

The bill sets forth the initial boundaries of the district.

The bill provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect on September 1, 2007.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute is a legislative council draft whereas the original was not and therefore varies in wording and formatting. The substitute places the Act in the Special District Local Laws Code rather than general law. The substitute removes the provision explicitly requiring the district to operate in compliance with existing state statute. The substitute also establishes that directors serve staggered four-year terms whereas the original provided that they serve six-year terms. The substitute does not contain definitions for "commission" and "project" as contained in the original. The substitute removes a provision contained in the original that a resolution adopted by a municipality before April 1, 2007 is not effective. The substitute also removes the provision providing for the suspension of house and senate rules relating to the reading of bills in order to ensure the passage of this legislation.